U.S. Army Corps of Engineers

Why Asset Management?

WE OWN IT ⟶ WE MANAGE IT

"Short list"

1000 Coastal Structures
600 Dams
2500 Recreational Areas
250 Locks
75 Hydropower

285000 Tracts of land
12000 Buildings

Lifecycle Infrastructure Management:

Campaign Goal 3c- The Right Business Practices

Executive order 13327- Right-sizing inventory

IT's the RIGHT

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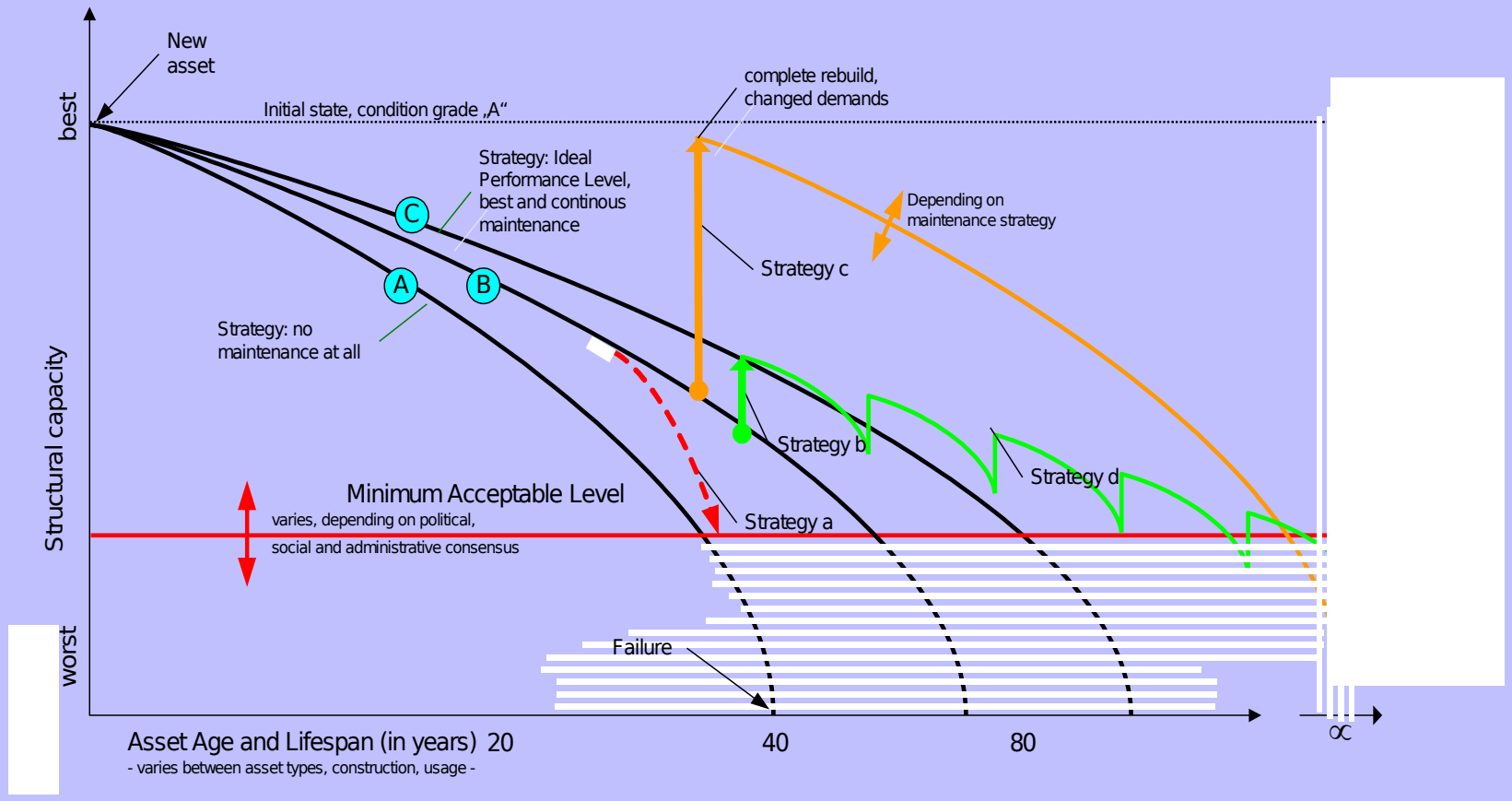
What is Asset Management?



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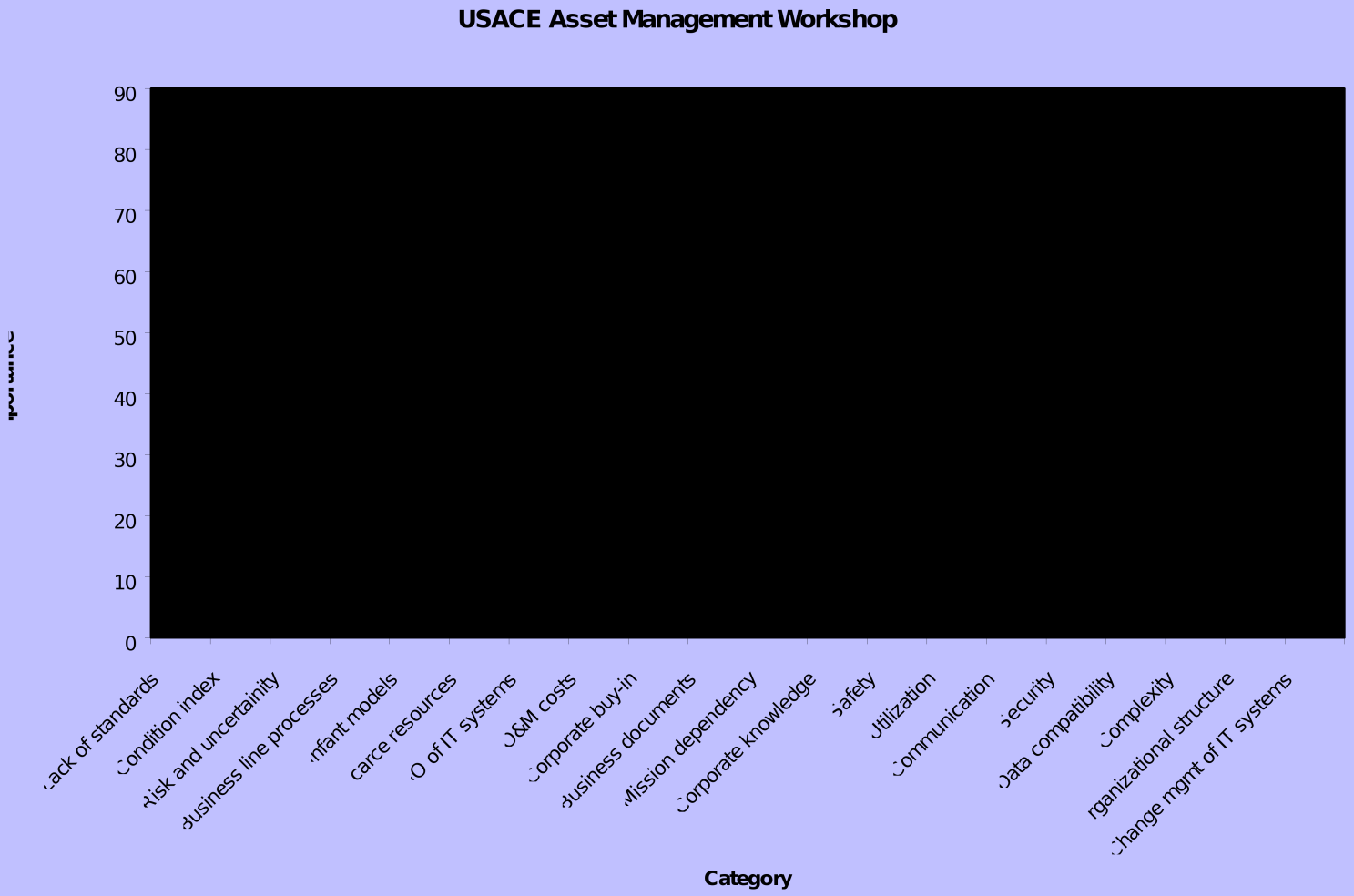
What is important?



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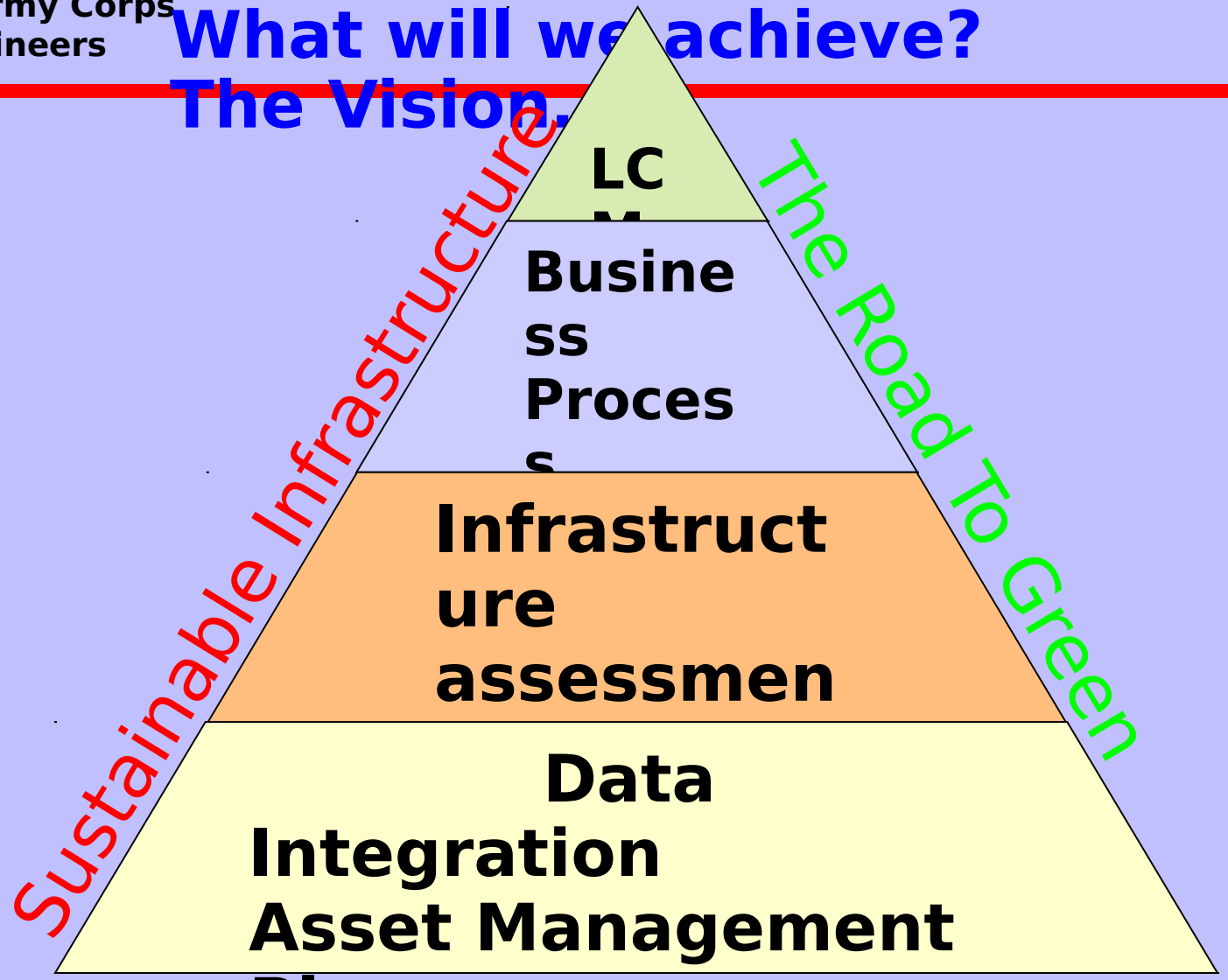
What will we achieve? The Vision.



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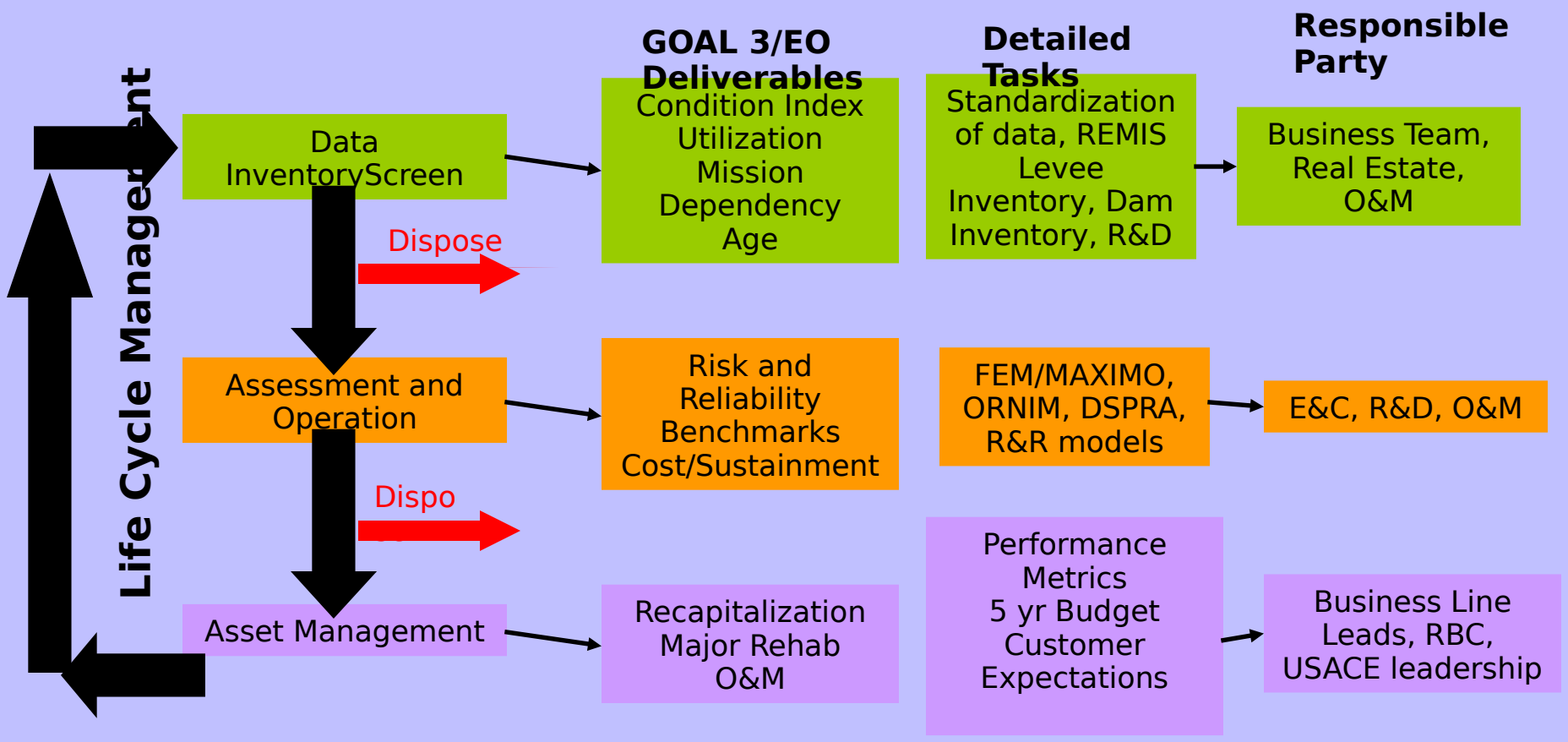
How does it work?



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What is required to get green?

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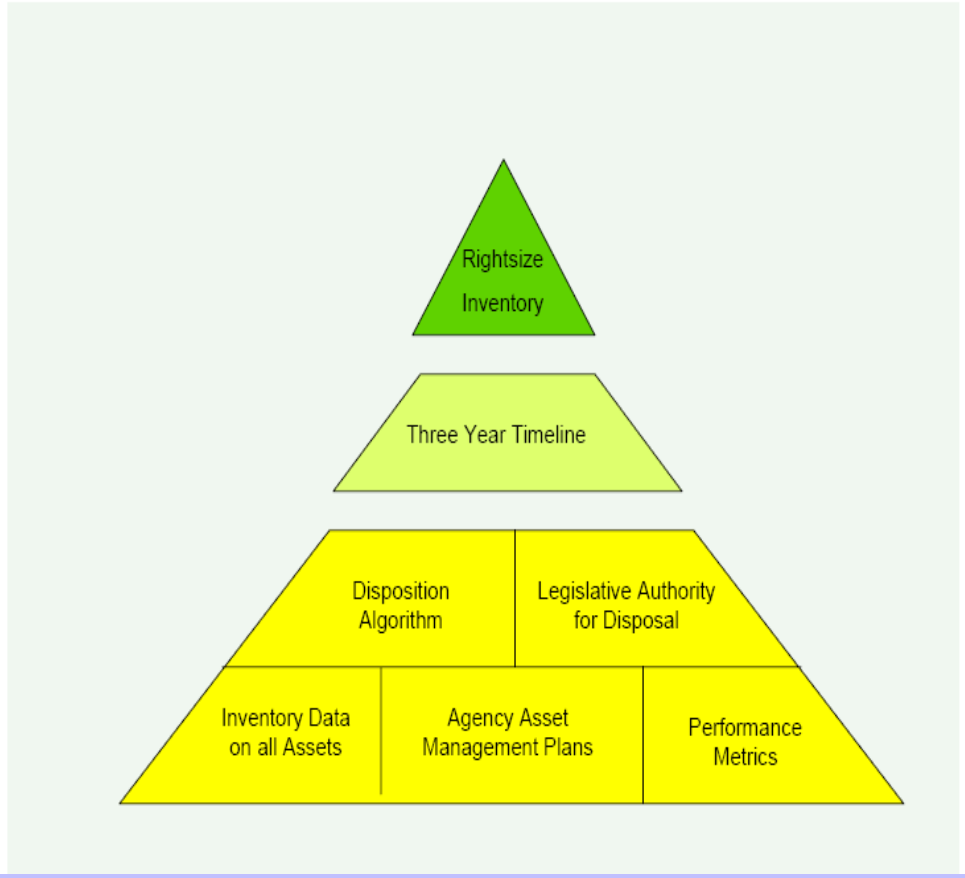
What does OMB expect?

The Real Property initiative can be thought of as a layered pyramid, where each successful layer builds upon the developed tools and measures to create a rightsized Federal inventory.



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Who will execute?

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Who are they?

Steering Committee
Lead: Barnes
Members: Loew, Basham, Hecker, Waters, Calcara, Tornblom, Berwick, Martin, White

AM PDT Central
Lead: Knight
Jester (HQ-LRD)
Reilly (POA)
Ellsworth (CERL)
Ercums (HQ-RE)
Ellin-Cuebas (HQ-SID)
Weyer (RA)

Business Team Leads
Navigation, Flood, Recreation, Hydropower, Environmental, Emergency, Water Supply
HQ and MSC reps

HQ Champions/Portfolio Leads
Programs and leads on national initiatives

Advisory Team
Internal (District/Division)
External (BOR, NPS, Navy, Academia, CMTS, stakeholders, partners, etc.)

Task Leads
Field PDT's
CoP's
Programs

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Condition Assessment

- Condition Index: snapshot vs. risk-based
- Buying Down Consequences (risk) - Buying up Service (reliability)
- Not a one-size fits all
  - Component to system (miter gate to Ohio River)
  - simple to complex (screening to monte-carlo)
  - Business line (drivers/consequences)
  - Functional purpose (planning, engineering, O&M)

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Frequency of inspection in years

Consequence of Failure Grade		Condition Grade: V Good A	Good B	Acceptable C	Poor D	Bad E
	Low 1	20	20	10	10	5
	2	20	20	10	10	5
	Medium 3	20	20	10	5	5
	4	10	10	10	5	2
	High 5	10	10	10	5	2

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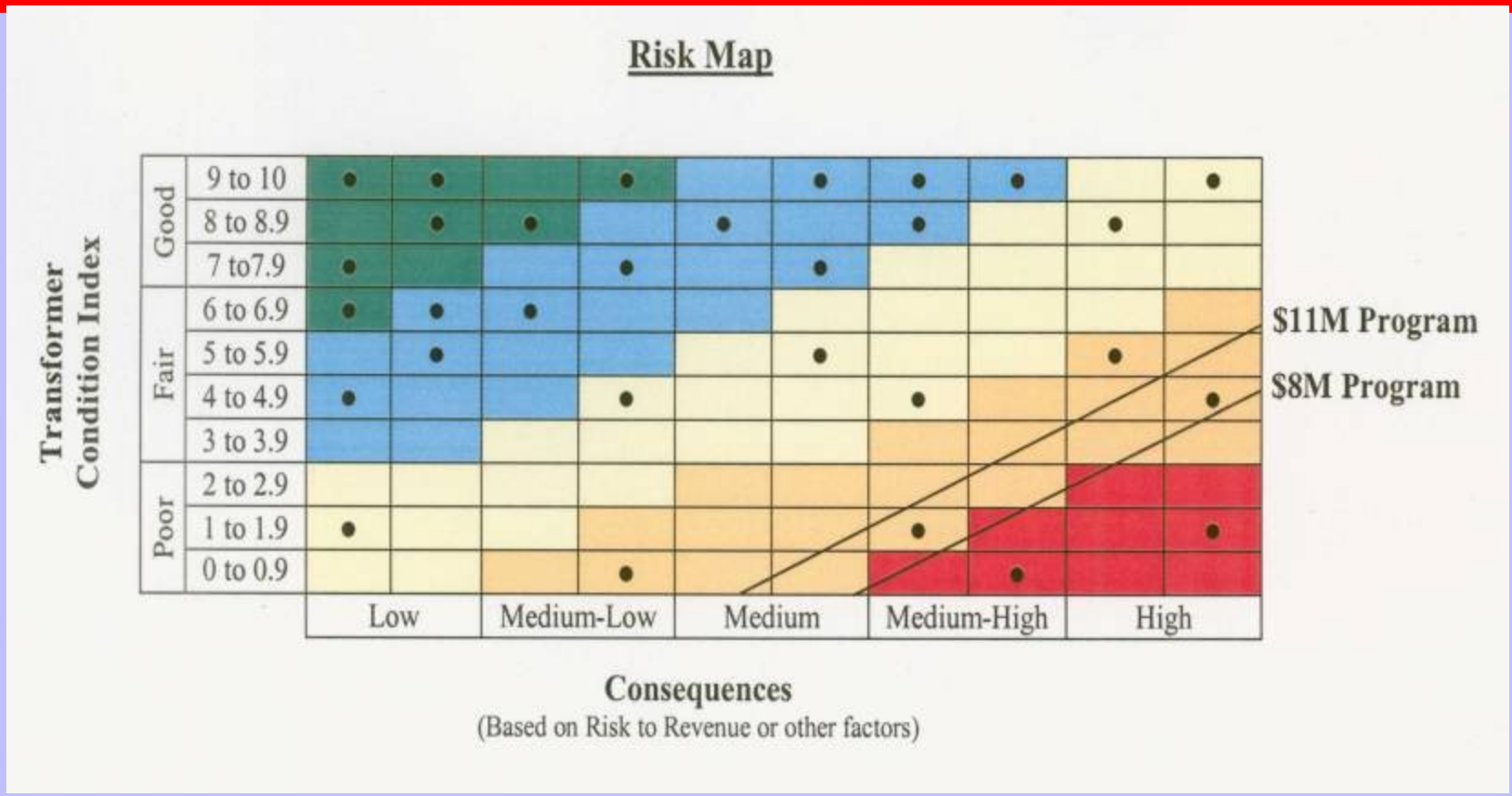
Example: Influence Diagram (Risk Map) for a Population of Transformers



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Condition Assessment

Given all that: What to do?

- Continue coordination with key proponents (R&D, Dams, Levees, Security, etc.)
- Morph OMB directives together (PART and Real Property)
- Risk and Reliability Summit (August 14-18, 2006 tentative)
- White paper Risk (Todd Bridges)
- White paper Condition Indices (David McKay)
- Test drive with LRD

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Challenges

- Standardization
- Data Inventory
- Disposal
- FEM/MAXIMO
- Risk-based condition Assessment
- FYDP
- Life Cycle management

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Life Cycle Management Staying Green

The Goals:

- **Improved customer satisfaction**
- **5 yr business plan**
- **Sustainable comprehensive approach**
- **Defensible budget**
- **Direct link between investment decision and level**